



# CONSUMER ALERT

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## RETURNING MILITARY PERSONNEL SHOULD REVIEW INSURANCE OPTIONS

*The D.C. Department of Insurance, Securities and Banking (DISB) Urges Service Personnel to Ensure They and Their Families Maintain the Right Coverage for Any Posting*

**A**s thousands of military personnel prepare to return from deployments in Iraq and Afghanistan in the coming months, they should review their insurance coverage to make certain that they and their families stay protected no matter where they are.

With frequent moves and changes in deployment status, members of the armed services face a unique situation when it comes to insurance. By staying on top of their insurance options, military personnel can make sure that they have the right coverage for any situation, whether they are in Kabul, Afghanistan; Kirkuk, Iraq; or Washington, D.C.”

Reflecting the special circumstances military personnel must take into account when shopping for insurance, the National Association of Insurance Commissioners (NAIC) of which DISB is a member, tailored a section of its award-winning consumer education Web site, [www.InsureUonline.org](http://www.InsureUonline.org), to address these insurance questions. The site provides insurance tips and special considerations on the four basic types of insurance: auto, home, health and life.

Detailed, comprehensive insurance information specifically for the military can be found at [http://www.insureuonline.org/course\\_military.htm](http://www.insureuonline.org/course_military.htm).



### Special Insurance Considerations for Military

#### Auto Insurance

- If you will be deployed for an extended period of time and no one will be driving your vehicle, you may be able to suspend some of your auto insurance coverage to save on premium payments. Not all states or insurance companies allow for coverage to be suspended. Go to DISB's Web site at [www.disb.dc.gov](http://www.disb.dc.gov) for more information.
- If you want to suspend auto coverage, contact your agent and DISB for the specific laws and policy limitations applicable in your state. You may want to ask whether the following types of coverage can be suspended while you are deployed: liability, collision, uninsured/underinsured motorist, medical payments and personal injury protection.
- In states that mandate automobile insurance coverage, you may need to file an affidavit of non-use with your state's department of motor vehicles to avoid being fined for failure to maintain insurance.

## Homeowners Insurance

- Many homeowners policies have a “vacancy clause” that may be activated if you are deployed for an extended period and your family has moved to a new location. Such policies might not pay claims if your house is vacant for 60 days or more. Consult your insurance company to learn how it defines “vacancy” and whether the claims for a vacant house will be paid.
- To avoid future disputes, review your policy with your agent before you leave for military duty. Also, make sure your policy limits are sufficient to cover your home and your personal property at today’s costs. Consider increasing your coverage if you have made additions or improvements to your property.

## Health Insurance

- Many reservists and National Guard members have health coverage for themselves and their families through an employer-sponsored health plan. Some may wish to continue that coverage, particularly for their dependents, during their active duty period. Talk with your benefits administrator to learn what will happen with your health coverage when called to active duty.
- If you are on active duty for more than 30 days, you and your dependents should be covered by military health care. Dependents have medical and dental services provided through uniformed services facilities subject to availability and are eligible for health benefits from civilian sources through the federally funded TRICARE program, the triple option benefit plan available for military families, formerly known as CHAMPUS (Civilian Health and Medical Program of the Uniformed Services).
- Your right to continue health coverage under an employment-based group health plan is covered by federal laws. The Consolidated Omnibus Budget Reconciliation Act (COBRA) provides health coverage continuation rights to employees and their families after an event such as reduction in employment hours. The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) is intended to minimize the disadvantages that occur when a person needs to be absent from civilian employment to serve in the uniformed services. Both COBRA and USERRA generally allow individuals called for active duty to continue coverage for themselves and their dependents under an employment-based group health plan for up to 24 months.

## Life Insurance

- Anyone who sells life insurance at military installations is required to obtain permission from the Department of Defense to be an authorized solicitor. When dealing with an agent, ask to see permits and licenses to be sure you are dealing with a legitimate agent.
- Currently, many private insurance carriers do not offer coverage for acts of war. Military personnel are provided some death benefits, but may purchase a limited amount of additional coverage through the Servicemembers’ Group Life Insurance (SGLI), a low-cost group life insurance program that includes benefits for death resulting from acts of war. Be sure you understand the benefits paid by the policy if you were to die in a war zone or were to be killed through an act of war. If you purchase an individual military-focused policy, check with your agent to make sure it does not duplicate coverage for your family that could be obtained elsewhere.
- Service members can contact their Flight, Payroll or Finance Office for further details on premium payment and refund issues. Service members and their beneficiaries should contact the Office of Servicemembers’ Group Life Insurance (OSGLI) for pending claims.

## More Information

*Get smart about your insurance needs. For more information about auto, home, life and health insurance options, as well as tips on choosing the coverage that is right for military personnel, contact the DC Department of Insurance, Securities and Banking, 810 First Street, NE, Suite 701, Washington, DC 20002, (202) 727-8000, Web site at [www.disb.dc.gov](http://www.disb.dc.gov). Consumers should also visit [www.insureuonline.org](http://www.insureuonline.org) or take the military insurance quiz at [www.insureuonline.org/quiz\\_military.htm](http://www.insureuonline.org/quiz_military.htm). This information was made possible by the National Association of Insurance Commissioners.*